

CT0148598 2010

Form **990-PF**

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

OMB No. 1545-0052

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

2009For calendar year 2009, or tax year beginning **July 1**, 2009, and ending **June 30**, 20 **10**

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☒ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation The Annenberg Foundation Trust at Sunnylands		A Employer identification number 25 - 6774871
	Number and street (or P.O. box number if mail is not delivered to street address) 70177 Highway 111	Room/suite 202	B Telephone number (see page 10 of the instructions) 760 - 328-2829
	City or town, state, and ZIP code Rancho Mirage, CA 92270-5902		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 356,219,666		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	80,412,183			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	30,166	30,166	30,166	
	4 Dividends and interest from securities	4,783,560	4,783,560	4,783,560	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,179,222			
	b Gross sales price for all assets on line 6a	25,621,266			
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			237,288	
	9 Income modifications			9,322	
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	12,188	267,641	208,310		
12 Total. Add lines 1 through 11	86,417,319	5,081,367	5,268,646		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	373,515	0	0	373,515
	14 Other employee salaries and wages	1,108,374			1,108,374
	15 Pension plans, employee benefits	575,517			575,517
	16a Legal fees (attach schedule)	224,810	4,889	4,889	219,921
	b Accounting fees (attach schedule)	24,125			24,125
	c Other professional fees (attach schedule)	3,469,850	1,531,860	1,531,913	1,937,937
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	56,694	36,694	36,694	20,000
	19 Depreciation (attach schedule) and depletion	383,011			
	20 Occupancy	2,781,257			2,781,257
	21 Travel, conferences, and meetings	93,324			93,324
	22 Printing and publications	94,476			94,476
	23 Other expenses (attach schedule)	251,569	70	70	251,499
	24 Total operating and administrative expenses. Add lines 13 through 23	9,436,522	1,573,513	1,573,566	7,479,945
	25 Contributions, gifts, grants paid	19,270			19,270
26 Total expenses and disbursements. Add lines 24 and 25	9,455,792	1,573,513	1,573,566	7,499,215	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	76,961,527				
b Net investment income (if negative, enter -0-)		3,507,854			
c Adjusted net income (if negative, enter -0-)			3,695,080		

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Cat. No. 11289X

Form **990-PF** (2009)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash—non-interest-bearing		800	800	800
	2	Savings and temporary cash investments		18,489,312	12,489,529	12,489,529
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges	468,378	360,658	360,658	
	10a	Investments—U.S. and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule) Schedule 9	159,754,818	171,709,768	171,709,768	
	c	Investments—corporate bonds (attach schedule) Schedule 10	1,282,612	661,539	661,539	
	11	Investments—land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation (attach schedule) ▶					
12	Investments—mortgage loans					
13	Investments—other (attach schedule) Schedule 11	49,431,873	63,557,678	63,557,678		
14	Land, buildings, and equipment: basis ▶ Schedule 7 107,941,902					
	Less: accumulated depreciation (attach schedule) ▶ 502,207	24,358,241	107,439,695	107,439,695		
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	253,786,034	356,219,667	356,219,667		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>				
	24	Unrestricted	253,786,034	356,219,667		
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	253,786,034	356,219,667			
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	253,786,034	356,219,667			

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	253,786,034
2	Enter amount from Part I, line 27a	2	76,961,527
3	Other increases not included in line 2 (itemize) ▶ Schedule 15 Unrealized Gain on Investments	3	25,472,106
4	Add lines 1, 2, and 3	4	356,219,667
5	Decreases not included in line 2 (itemize) ▶	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	356,219,667

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Publicly traded securities (See Schedule 1)		P		
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(j) F.M.V. as of 12/31/69	(l) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	(3,426,568)	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8		3	237,288	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	11,425,686	239,470,520	4.77%
2007	11,018,869	312,652,834	3.52%
2006	8,141,498	292,340,663	2.78%
2005	9,110,772	270,210,946	3.37%
2004	15,225,534	252,696,721	6.03%
2 Total of line 1, column (d)		2	20.47%
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3	4.09%
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5		4	270,527,151
5 Multiply line 4 by line 3		5	11,075,382
6 Enter 1% of net investment income (1% of Part I, line 27b)		6	35,079
7 Add lines 5 and 6		7	11,110,461
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.		8	20,551,496

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	35,079	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0	
3	Add lines 1 and 2	3	35,079	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	35,079	
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	64,842	
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	64,842	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	29,763	
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax 29,763 Refunded	11	0	

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a			<input checked="" type="checkbox"/>
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		<input checked="" type="checkbox"/>
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c	Did the foundation file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0 (2) On foundation managers. \$ 0		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2	<input checked="" type="checkbox"/>
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	<input checked="" type="checkbox"/>
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	<input checked="" type="checkbox"/>
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	5	<input checked="" type="checkbox"/>
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	<input checked="" type="checkbox"/>
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	7	<input checked="" type="checkbox"/>
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) Pennsylvania, California		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	8b	<input checked="" type="checkbox"/>
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	9	<input checked="" type="checkbox"/>
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	<input checked="" type="checkbox"/>

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ► www.sunnylands.org

14 The books are in care of ► Debbi Hinton Telephone no. ► 760-328-2829
 Located at ► 70177 Highway 111, Suite 202, Rancho Mirage, CA ZIP+4 ► 92270-5902

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ► ☐
 and enter the amount of tax-exempt interest received or accrued during the year ► 15

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1b	✓
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	✓
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Schedule 12		373,515	36,379	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Linda Brooks 71-231 Tamarisk Lane, Rancho Mirage, CA 92270	Facilities Manager/40 hrs	106,314	23,265	0
Carlos Garcia 150 N. Radnor-chester Rd. Radnor, PA 19087	Accounting Manager/40 hours	81,605	28,261	0
Kathy Carr 70177 HWY 111, S-202, Rancho Mirage, CA 92270	Executive Assistant/40 hrs	55,055	13,748	0
Kenneth Brooks 71-231 Tamarisk Lane, Rancho Mirage, CA 92270	Maint.Engineer/40 hrs	52,566	20,027	0
Total number of other employees paid over \$50,000				0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Matt Construction Corporation 9814 Norwalk Blvd., Ste.100, Santa Fe Springs, CA 90670	Building Construction	14,216,349
Frederick Fisher and Partners Architects 12248 Santa Monica Blvd., Los Angeles, CA 90025	Architectural Design	1,485,752
Hillmann & Carr Inc. 2233 Wisconsin Ave. NW, Ste.425 Washington, DC 20007	Audiovisual Production	764,250
Hawthorn/PNC 1600 Market Street, 29th Floor, Philadelphia, PA 19103	Investment Advisor,Custody	613,159
Trustees of the University of Pennsylvania 202 S. 36th St., Philadelphia, PA 19104-3806	Program Administrator	574,944
Total number of others receiving over \$50,000 for professional services		20

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

1 SUNNYLANDS ESTATE & CENTER - See Schedule 16	22,742,460
2 INSTITUTIONS OF DEMOCRACY - See Schedule 16	1,354,364
3 MENTAL HEALTH - See Schedule 16	109,668
4 FORUMS - See Schedule 16	64,472

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1 N/A	0
2	
All other program-related investments. See page 24 of the instructions.	
3 N/A	0
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	239,636,413
b	Average of monthly cash balances	1b	16,370,112
c	Fair market value of all other assets (see page 24 of the instructions)	1c	18,640,329
d	Total (add lines 1a, b, and c)	1d	274,646,854
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	274,646,854
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	4,119,703
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	270,527,151
6	Minimum investment return. Enter 5% of line 5	6	13,526,358

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☒ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	N/A
2a	Tax on investment income for 2009 from Part VI, line 5	2a	N/A
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	N/A
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	N/A
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	N/A
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	N/A

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	7,499,215
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	18,052,281
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	(5,000,000)
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	20,551,496
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	35,079
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	20,516,417

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)**NOT APPLICABLE**

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ _____				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling **9/21/04 (effective 7/1/04)**

b Check box to indicate whether the foundation is a private operating foundation described in section ☒ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	3,695,080	4,829,236	7,418,561	6,951,872	22,894,749
b 85% of line 2a	3,140,818	4,104,851	6,305,777	5,909,091	19,460,537
c Qualifying distributions from Part XII, line 4 for each year listed	20,551,496	11,473,193	11,018,869	8,141,498	51,185,056
d Amounts included in line 2c not used directly for active conduct of exempt activities	19,270	0	5,100	26,801	51,171
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	20,532,226	11,473,193	11,013,769	8,114,697	51,133,885
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	9,017,572	7,982,351	10,421,761	9,744,689	37,166,373
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

Trust 1 Under Declaration of Trust of Walter H. Annenberg dated June 23, 2000; Leonore Annenberg Revocable Trust dated January 24, 2007

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number of the person to whom applications should be addressed:

Not Applicable

- b** The form in which applications should be submitted and information and materials they should include:

Not Applicable

- c** Any submission deadlines:

Not Applicable

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Not Applicable

Part XV **Supplementary Information (continued)****3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Rio Salado Foundation		Public		
P.O.Box 32099, Phoenix, AZ 85064-2099		Charity	Capital Campaign	10,000
Barbara Sinatra Children's Center		Public		
39000 Bob Hope Dr., Rancho Mirage, CA 92270		Charity	Health	8,750
United Way of the Desert		Public		
P.O. Box 1990, Palm Springs, CA 92263-1990		Charity	Health & Human Care	520
Total			3a	19,270
b Approved for future payment				
None				0
Total			3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
1 Program service revenue:						
a None						
b						
c						
d						
e						
f						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments			14	30,166		
4 Dividends and interest from securities			14	4,783,560		
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	1,179,222		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue: a Reimb.unused qualif.ex			01			9,322
b Royalties			15	2,466		
c Miscellaneous			01	400		
d						
e						
12 Subtotal. Add columns (b), (d), and (e)		0		5,995,814		9,322
13 Total. Add line 12, columns (b), (d), and (e)				13		6,005,136

(See worksheet in line 13 instructions on page 28 to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

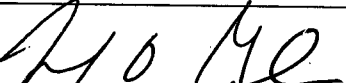
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash		1a(1)	X
(2) Other assets		1a(2)	X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization		1b(1)	X
(2) Purchases of assets from a noncharitable exempt organization		1b(2)	X
(3) Rental of facilities, equipment, or other assets		1b(3)	X
(4) Reimbursement arrangements		1b(4)	X
(5) Loans or loan guarantees		1b(5)	X
(6) Performance of services or membership or fundraising solicitations		1b(6)	X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees		1c	X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

[illegible]

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.				
	Signature of officer or trustee		Date	Title	
	<div> <div>Paid Preparer's Use Only</div> <div> <div>Preparer's signature</div> <div>  </div> </div> <div> <div>Firm's name (or yours if self-employed), address, and ZIP code</div> <div> <div>GRANT THORNTON LLP</div> <div>2001 MARKET STREET, SUITE 3100</div> <div>PHILADELPHIA, PA 19103</div> </div> </div> </div> <td> <div> <div>Date</div> <div>4/16/2011</div> </div> <div> <div>Check if self-employed</div> <div><input type="checkbox"/></div> </div> </td> <td> <div> <div>Preparer's identifying number (See Signature on page 30 of the instructions)</div> <div>0005323VY</div> </div> <div> <div>EIN</div> <div>36-6055558</div> </div> <div> <div>Phone no.</div> <div>215-561-4200</div> </div> </td>	<div> <div>Date</div> <div>4/16/2011</div> </div> <div> <div>Check if self-employed</div> <div><input type="checkbox"/></div> </div>	<div> <div>Preparer's identifying number (See Signature on page 30 of the instructions)</div> <div>0005323VY</div> </div> <div> <div>EIN</div> <div>36-6055558</div> </div> <div> <div>Phone no.</div> <div>215-561-4200</div> </div>		

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Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

2009

Name of the organization

The Annenberg Foundation Trust at Sunnylands

Employer identification number

25 : 6774871

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33⅓% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

The Annenberg Foundation Trust at Sunnylands

Employer identification number

25 : 6774871

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Trust 1 Under Declaration of Trust of Walter H. Annenberg dated June 23, 2000 71-231 Tamarisk Lane, Rancho Mirage, CA 92270	\$ 65,271,383	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	The Annenberg Foundation 101 West Elm Street, Suite 640 Conshohocken, PA 19428	\$ 15,000,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	Leonore Annenberg Revocable Trust dated January 24, 2007 71-231 Tamarisk Lane, Rancho Mirage, CA 92270	\$ 140,800	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization
The Annenberg Foundation Trust at Sunnylands

Employer identification number
25 : 6774871

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	200 acres of developed land located in the walled estate area on NWC of Frank Sinatra Drive and Bob Hope Drive, Rancho Mirage, California; 122.25 acres of undeveloped contiguous to but outside the walled estate area	\$ 51,560,000	12 / 23 / 2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Buildings (44,917 sq.ft) located in the walled estate area on NWC of Frank Sinatra Drive and Bob Hope Drive, Rancho Mirage, California	\$ 9,124,802	12 / 23 / 2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Site Improvements to property located in the walled estate area on NWC of Frank Sinatra Drive and Bob Hope Drive, Rancho Mirage, California	\$ 586,581	12 / 23 / 2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	9-hole championship golf course located in the walled estate area on NWC of Frank Sinatra Drive and Bob Hope Drive, Rancho Mirage, California	\$ 4,000,000	12 / 23 / 2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
3	Tangible Personal Property	\$ 140,800	12 / 23 / 2009
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	/ /

The Annenberg Foundation Trust At Sunnylands
 EIN No. 25-6774871
 Form 990-PF
 Fiscal Year Ended June 30, 2010

SCHEDULE 1: NET GAIN OR (LOSS) FROM SALE OF ASSETS NOT ON LINE 10

Description	Date Acquired	How acquired P - Purchase D - Donation	Date Sold	Sales Price	Basis	Net Gain (Loss) Per Books	Gain (Loss)	Total Net Gain (Loss)
							From K-1 (Not in Books)	
Marketable securities sold through brokers	Various	P	Various	25,518,040	24,442,044	1,075,996		1,075,996
Share of Gain in The Emerging Free Markets Country Fund (EIN 51-6548874) & Enhance RAFI (EIN 20-1886896)	Various	P	Various			-	(4,546,459)	(4,546,459)
<u>Other Assets</u>								
Household Accessories/Personal Property	12/23/2009	D	Various	7,327	-	7,327		7,327
wine Collection	12/23/2009	D	6/10/2010	51,764	-	51,764		51,764
Furniture	12/23/2009	D	1/15/2010	240	-	240		240
NET GAIN OR (LOSS) FROM SALE OF ASSETS TO PART 1, LINES 6a & 6b				25,577,371	24,442,044	1,135,327	(4,546,459)	(3,411,132)

PART IV - CAPITAL GAINS & LOSSES FOR TAX ON INVESTMENT INCOME & OTHER ASSETS

Description *	Maturity Date	Shares	Date Acquired	Date Sold	Proceeds	Cost	Short Gain/Loss	Long Gain/Loss
3M COMPANY		1,496	09-08-14	2010-04-13	124,878.73	106,270.01	18,608.72	
AAR CORP		20	08-09-09	2009-07-28	372.79	309.78	63.01	
AGCO CORP		1,904	08-07-30	2009-11-25	57,827.18	114,101.39		-56,274.21
AGRIUM INC SEDOL 2015530 ISIN CA0089161081		1,146	09-05-27	2009-11-16	61,904.07	58,319.14	3,584.93	
AGRIUM INC SEDOL 2015530 ISIN CA0089161081		52	09-06-16	2009-11-16	2,808.91	2,490.62	318.29	
ALEXION PHARMACEUTICALS INC		1,443	09-07-31	2010-05-18	72,849.20	64,043.80	8,805.40	
ALLERGAN INC		223	06-09-01	2010-04-23	13,834.97	12,716.06		1,118.91
ALLERGAN INC		1,155	09-03-03	2009-10-15	66,902.81	41,102.41	25,800.40	
ALLERGAN INC		79	10-02-12	2010-04-23	4,901.18	4,648.20	252.98	
ALTERA CORP		11,300	05-06-13	2009-12-21	256,887.58	243,741.00		13,146.58
ALTERA CORP		3,100	08-05-06	2010-02-23	71,764.71	68,155.98		3,608.73
AMAZON COM INC		538	07-05-29	2009-07-02	42,610.44	37,074.38		5,536.06
AMAZON COM INC		511	08-02-11	2009-07-02	40,472.00	37,614.86		2,857.14
AMERCI GROUP CORPORATION		0	01-01-01	2009-07-28	33.61	0		33.61
AMERICA MOVIL S A B DE CV		3,264	04-11-05	2010-01-26	139,064.54	48,684.19		90,380.35
AMERICAN EXPRESS CO		3,400	08-02-29	2010-03-22	139,042.25	147,653.16		-8,610.91
AMERICAN EXPRESS CO		6,900	08-06-20	2010-03-22	282,173.98	285,713.13		-3,539.15
AMETEK INC NEW		1,338	08-02-01	2009-09-08	43,095.47	59,007.27		-15,911.80
APPLE INC		270	04-04-13	2009-07-15	39,121.18	3,645.00		35,476.18
APPLE INC		160	04-04-13	2009-09-22	29,405.28	2,160.00		27,245.28
APPLE INC		248	04-04-13	2010-03-25	57,149.46	3,348.00		53,801.46
APPLE INC		151	04-04-13	2010-04-22	38,772.43	2,038.50		36,733.93
APPLE INC		130	04-04-13	2010-05-26	32,438.74	1,755.00		30,683.74
APPLE INC		455	07-10-24	2010-01-19	97,361.53	82,741.43		14,620.10
ASCENT MEDIA CORP CL A W/		724	05-06-07	2009-06-26	19,730.36	17,629.54		2,100.82
ASCENT MEDIA CORP CL A W/		3	05-07-05	2009-06-26	81.76	71.7		10.06
BAIDU INC		228	09-02-24	2010-02-02	96,689.35	31,874.29	64,815.06	
BANCO SANTANDER S A ADR		3,665	04-04-13	2009-07-16	46,571.42	41,016.11		5,555.31
BANK NEW YORK MELLON CORP COM		209	08-10-15	2010-04-08	6,594.05	6,388.82		205.23
BARD C R INC		790	08-11-10	2009-08-07	57,952.99	69,481.45	-11,528.46	
BAYER A G SPONSORED ADR		369	04-04-13	2010-02-26	24,331.99	8,953.65		15,378.34
BAYER A G SPONSORED ADR		260	04-04-13	2010-03-10	18,623.56	6,308.81		12,314.75
BERKSHIRE HATHAWAY INC CLASS B		1,237	09-08-31	2010-04-26	98,443.87	80,388.91	18,054.96	
BLACKROCK FDS HIGH YIELD BD PORTFOLIO FUND 318 INSTITUTIONAL CLASS		136,240	09-01-07	2010-05-10	1,000,000.00	719,346.05		280,653.95
BLOCK H & R INC		2,385	04-04-12	2010-02-01	51,300.46	57,298.67		-5,998.21
BLOCK H & R INC		3,230	04-05-19	2010-02-01	69,476.09	75,905.00		-6,428.91
BLUE COAT SYSTEMS INC		2,495	10-01-22	2010-06-01	52,170.07	72,111.49	-19,941.42	
BNP PARIBAS SPONSORED ADR		534	05-06-24	2009-09-28	22,036.28	18,179.18		3,857.10
BNP PARIBAS SPONSORED ADR		1,042	05-06-24	2010-01-14	43,765.38	35,473.22		8,292.16
BNP PARIBAS SPONSORED ADR		1,001	05-09-08	2009-08-21	42,000.88	37,759.42		4,241.46
BNP PARIBAS SPONSORED ADR		433	05-09-08	2009-09-28	17,868.37	16,333.50		1,534.87
BP PLC SPONSORED ADR		214	05-01-26	2010-03-18	12,399.22	12,861.93		-462.71
BROADCOM CORP		4,011	08-11-25	2010-03-10	129,880.15	59,590.62		70,289.53
BUCYRUS INTL INC		1,301	08-07-30	2010-01-19	85,636.46	95,294.22		-9,657.76
BUCYRUS INTL INC		270	08-07-30	2010-03-16	17,431.28	19,776.66		-2,345.38
BUCYRUS INTL INC		56	08-09-09	2009-07-28	1,742.67	2,568.13	-825.46	
BUCYRUS INTL INC		1,304	09-09-01	2010-03-16	84,186.60	38,395.50	45,791.10	
CALAMOS CONVERTIBLE FD A FD #603		78,864	09-02-18	2010-05-10	1,500,000.00	1,137,223.97		362,776.03
CAMERON INTL CORP		1,887	08-09-15	2010-05-03	76,298.61	75,706.06		592.55
CAMERON INTL CORP		1,554	09-06-17	2010-05-03	62,834.15	44,092.42	18,741.73	
CANON INC SPONS ADR		962	04-04-13	2010-03-29	0.00	32,200.38		11,694.46
CARDINAL HEALTH INC		690	04-07-28	2010-01-13	22,079.72	22,159.52		-79.8
CARDINAL HEALTH INC		1,950	04-07-28	2010-06-16	69,747.79	62,624.73		7,123.06
CELGENE CORP		1,328	08-10-10	2010-02-01	75,465.43	70,812.15		4,653.28
CHECK POINT SOFTWARE TECH SEDOL 2181334 ISIN IL0010824113		2,286	09-03-31	2009-11-13	73,157.21	50,915.62	22,241.59	
CHECKPOINT SYSTEMS INC		12	08-09-09	2009-07-28	210.95	246.58	-35.63	
CISCO SYSTEMS INC		4,195	08-10-22	2009-08-13	90,145.72	73,669.23	16,476.49	
CME GROUP INC A DERIVATIVES EXCHANGE		63	06-09-01	2009-07-06	18,586.61	27,846.00		-9,259.39
CME GROUP INC A DERIVATIVES EXCHANGE		14	06-09-01	2010-04-08	4,376.88	6,188.00		-1,811.12
COACH INC		2,246	08-04-28	2009-10-06	73,385.94	79,023.94		-5,638.00
COCA COLA CO		1,519	06-11-22	2009-08-13	72,981.52	71,386.77		1,594.75
COMCAST CORP CLASS A SPECIAL		15,077	04-04-12	2010-02-16	220,810.41	294,403.56		-73,593.15
COMCAST CORP CLASS A SPECIAL		10,600	05-06-07	2009-12-28	171,138.94	219,897.00		-48,758.06

PART IV - CAPITAL GAINS & LOSSES FOR TAX ON INVESTMENT INCOME & OTHER ASSETS

Description *	Maturity Date	Shares	Date Acquired	Date Sold	Proceeds	Cost	Short Gain/Loss	Long Gain/Loss
CONOCOPHILLIPS		7,515	04-04-12	2009-08-21	332,203.31	272,537.86		59,665.45
CONOCOPHILLIPS		1,105	04-04-12	2010-01-26	55,882.68	40,073.77		15,808.91
CONOCOPHILLIPS		125	06-09-14	2009-08-21	5,525.67	7,393.34		-1,867.67
CORE LABORATORIES N V		22	09-02-11	2009-07-28	1,876.33	1,407.96	468.37	
COSTCO WHOLESALE CORP		1,950	04-04-12	2009-08-31	99,501.46	73,359.00		26,142.46
COSTCO WHOLESALE CORP		6,500	05-06-08	2009-06-30	297,356.30	296,790.00		566.3
COSTCO WHOLESALE CORP		2,800	05-06-16	2009-06-30	128,091.94	128,713.20		-621.26
COSTCO WHOLESALE CORP		300	05-07-11	2009-06-30	13,724.14	13,659.00		65.14
DELL INC		4,435	08-08-27	2009-07-20	57,123.55	113,817.62	-56,694.07	
DENTSPLY INTERNATIONAL INC		1,946	08-09-29	2009-11-13	65,979.77	73,335.20		-7,355.43
DEVON ENERGY CORP NEW		1,195	10-01-05	2010-06-11	80,968.01	91,427.42	-10,459.41	
DIRECTV CLASS A		0	05-06-07	2009-12-04	7.93	3.52		4.41
DIRECTV CLASS A		15,800	05-06-07	2010-03-17	544,879.76	218,015.84		326,863.92
DIRECTV CLASS A		9,784	05-06-07	2010-04-09	342,089.15	135,005.52		207,083.63
DIRECTV CLASS A		120	05-07-05	2010-04-09	4,196.36	1,625.83		2,570.53
DIRECTV CLASS A		11,102	06-01-11	2010-04-09	388,164.25	136,613.04		251,551.21
DISCOVERY COMMUNICATIONS CL A		7,245	05-06-07	2009-12-04	227,609.59	107,325.28		120,284.31
DISCOVERY COMMUNICATIONS CL A		30	05-07-05	2009-12-04	942.48	436.2		506.28
DOLBY LABORATORIES INC CLASS A		1,625	08-11-10	2010-05-19	102,445.91	51,944.91		50,501.00
DORAL FINL CORP REV SPLIT 08/17/07 SEE 25811P886		0	01-01-01	2009-07-17	4,967.95	25		4,942.95
DRESSER-RAND GROUP INC.		600	07-08-08	2009-10-15	19,330.48	20,947.92		-1,617.44
DRESSER-RAND GROUP INC.		1,700	07-10-04	2009-10-15	54,769.70	66,981.02		-12,211.32
EAST WEST BANCORP INC		3,455	08-09-09	2009-10-05	31,033.05	48,816.73		-17,783.68
EAST WEST BANCORP INC		760	09-05-06	2009-10-05	6,826.37	6,989.49	-163.12	
EAST WEST BANCORP INC		184	09-07-28	2009-10-05	1,652.70	1,438.55	214.15	
EBAY INC		3,418	08-05-12	2010-01-04	81,346.31	106,334.32		-24,988.01
EMERSON ELECTRIC CO		2,322	09-04-02	2009-10-21	93,043.63	71,850.11	21,193.52	
ENSCO INTERNATIONAL INC MERGED 12/23/09 SEE 29358Q109		3,417	09-01-22	2009-12-22	144,111.98	101,627.80	42,484.18	
ENSCO PLC ADS		1,401	08-10-28	2010-01-05	59,816.68	59,087.18		729.5
ENSCO PLC ADS		208	09-01-22	2010-01-05	8,880.71	8,772.40	108.31	
EXPEDITORS INTERNATIONAL WASHINGTON INC		837	06-06-01	2010-02-12	27,269.11	42,640.67		-15,371.56
EXPEDITORS INTERNATIONAL WASHINGTON INC		165	06-06-01	2010-02-16	5,587.07	8,405.87		-2,818.80
FACTSET RESH SYS INC		889	07-06-28	2009-08-12	49,268.98	60,767.33		-11,498.35
FACTSET RESH SYS INC		965	08-12-29	2009-08-12	53,480.95	40,629.78	12,851.17	
FLIR SYSTEM INC		2,756	07-05-14	2010-03-09	73,146.89	57,801.45		15,345.44
FLUOR CORP		1,590	07-07-26	2009-11-16	71,021.73	89,780.78		-18,759.05
FORTIS NAME CHG 05/14/10 SEE 00844W109		8,118	04-07-12	2009-10-13	38,965.42	154,078.62		-115,113.20
FTI CONSULTING INC		1,532	08-08-25	2010-01-19	66,182.94	112,054.31		-45,871.37
FURIEX PHARMACEUTICALS INC		283	08-09-09	2010-06-22	2,969.71	5,266.00		-2,296.29
FURIEX PHARMACEUTICALS INC		1	08-09-09	2010-06-23	5.54	9.33		-3.79
FURIEX PHARMACEUTICALS INC		11	09-07-28	2010-06-22	117.24	94.81	22.43	
GAMESTOP CORP CL A		4,538	07-06-29	2010-01-11	91,901.21	180,077.82		-88,176.61
GENERAL DYNAMICS CORP		1,659	08-11-07	2009-08-13	94,258.47	102,130.86	-7,872.39	
GLOBAL PAYMENTS INC-W/I		210	08-09-09	2009-07-28	8,912.92	9,927.79	-1,014.87	
GOLDMAN SACHS GROUP INC		821	09-01-28	2010-04-16	134,445.10	70,605.51		63,839.59
GOOGLE INC-CL A		41	06-09-01	2009-10-16	22,669.55	15,516.94		7,152.61
GOOGLE INC-CL A		69	06-09-01	2010-01-19	40,516.97	26,113.87		14,403.10
GOOGLE INC-CL A		61	07-07-17	2009-10-28	33,094.35	33,924.53		-830.18
GOOGLE INC-CL A		103	08-10-16	2010-01-13	60,218.55	35,081.14		25,137.41
GOOGLE INC-CL A		103	09-08-31	2010-01-13	60,218.54	47,274.76	12,943.78	
GRANITE CONSTRUCTION INC		1,395	08-09-09	2010-02-03	42,210.21	51,950.08		-9,739.87
GRANITE CONSTRUCTION INC		70	09-07-28	2010-02-03	2,118.08	2,499.70	-381.62	
GRUPO TELEvisa SA DE CV SPONSORED ADR REPSTG ORD PARTN CTF		3,450	08-02-07	2009-10-23	69,990.08	71,451.91		-1,461.83
GRUPO TELEvisa SA DE CV SPONSORED ADR REPSTG ORD PARTN CTF		770	08-11-20	2009-10-23	15,620.97	10,581.65	5,039.32	
HARSCO CORP		154	08-09-09	2009-07-28	4,704.85	6,931.06	-2,226.21	
HCA INC MERGED 11/17/2006 @ \$51.00 P/S		0	01-01-01	2009-10-22	1,081.08	25		1,056.08
HEADWATERS INC		2,135	08-09-09	2009-09-30	8,269.28	30,132.53		-21,863.25
HEADWATERS INC		380	08-09-09	2009-07-28	1,254.65	5,363.17	-4,108.52	
HEADWATERS INC		2,760	09-05-04	2009-09-30	10,690.04	7,322.56	3,367.48	
HEALTHWAYS INC		410	08-09-09	2009-07-28	6,535.96	7,950.31	-1,414.35	
HEXCEL CORP		190	08-09-09	2009-07-28	1,828.09	3,496.68	-1,668.59	
HONEYWELL INTL INC		3,198	07-05-09	2010-01-05	129,193.00	181,153.59		-51,960.59
HSBC CAPITAL FUNDING LP ISIN USG463802037SEDOL 3322831 04.610% DUE 12/		170,000	04-09-16	2009-12-15	144,245.00	164,180.90		-19,935.90

PART IV - CAPITAL GAINS & LOSSES FOR TAX ON INVESTMENT INCOME & OTHER ASSETS

Description *	Maturity Date	Shares	Date Acquired	Date Sold	Proceeds	Cost	Short Gain/Loss	Long Gain/Loss
HSBC CAPITAL FUNDING LP ISIN USG463802037SEDOL 3322831 04.610% DUE 12/		850,000	04-09-16	2009-12-15	721,225.00	820,785.50		-99,560.50
ING GROEP N V ORD SEDOL #5058877		10,773	04-04-13	2009-12-18	20,733.35	0.02		20,733.33
INTERCONTINENTAL EXCHANGE INC		14	06-11-06	2009-06-30	1,617.76	1,180.36		437.4
INTERCONTINENTAL EXCHANGE INC		175	06-11-06	2009-07-06	19,194.87	14,754.47		4,440.40
INTERCONTINENTAL EXCHANGE INC		152	08-07-16	2009-06-30	17,564.31	13,397.86	4,166.45	
INTUIT SOFTWARE		511	06-09-01	2010-04-08	17,511.72	15,739.21		1,772.51
INTUITIVE SURGICAL INC		109	09-02-24	2009-08-10	25,045.14	10,903.16	14,141.98	
INTUITIVE SURGICAL INC		197	09-02-24	2009-09-21	48,906.46	19,705.71	29,200.75	
INTUITIVE SURGICAL INC		169	09-03-02	2009-09-21	41,955.28	14,802.30	27,152.98	
ITT CORPORATION		1,317	09-09-30	2010-02-05	63,930.06	67,911.11	-3,981.05	
JACOBS ENGINEERING GROUP INC		1,298	07-08-10	2009-11-19	47,459.50	87,028.56		-39,569.06
JACOBS ENGINEERING GROUP INC		1,580	08-11-10	2009-11-19	57,770.43	58,898.92		-1,128.49
JEFFRIES GROUP INC		88	08-09-09	2009-07-28	2,002.82	1,580.94	421.88	
JPMORGAN CHASE & CO		2,740	04-04-12	2010-03-10	118,229.50	113,128.79		5,100.71
JPMORGAN CHASE & CO		2,030	04-04-12	2010-05-24	80,336.91	83,814.39		-3,477.48
JPMORGAN CHASE & CO		2,090	04-04-12	2010-05-26	81,933.72	86,291.67		-4,357.95
JUNIPER NETWORKS INC		3,737	08-11-25	2010-05-04	104,074.81	59,006.48		45,068.33
LEHMAN BROTHERS HOLDING BOND IN DEFAULT 06.875% DUE 05/02/2018	5/2/2018	345,000	08-04-17	2009-12-15	69,862.50	343,858.05		-273,995.55
LIBERTY MEDIA HOLD CAP SER A		7,245	05-06-07	2010-03-05	239,698.50	82,343.25		157,355.25
LIBERTY MEDIA HOLD CAP SER A		30	05-07-05	2010-03-05	992.54	334.73		657.81
LIBERTY MEDIA HOLD CAP SER A		2,775	06-01-11	2010-03-05	91,809.99	28,126.58		63,683.41
LIFE TIME FITNESS INC		66	08-09-09	2009-07-28	1,735.75	2,312.36	-576.61	
LKQ CORP		3,764	09-03-02	2010-02-04	68,506.19	50,777.11	17,729.08	
MASTERCARD INC CL A		5	07-12-20	2009-10-29	1,133.19	1,033.45		99.74
MASTERCARD INC CL A		265	08-02-05	2009-10-29	60,059.04	55,128.69		4,930.35
MASTERCARD INC CL A		293	10-01-04	2010-06-04	58,327.34	75,431.59	-17,104.25	
MEMC ELECTR MATLS INC		2,971	06-02-28	2009-12-01	36,807.07	99,444.13		-62,637.06
MERCK & CO INC		0	08-11-07	2009-11-10	14.22	10.89		3.33
MERRILL LYNCH & COMPANY INC MERGED 12/31/2008 SEE 060505104		0	01-01-01	2010-06-21	9,649.95	25		9,624.95
MICROSOFT CORP		2,225	05-08-03	2009-08-31	54,661.50	60,698.00		-6,036.50
MICROSOFT CORP		450	05-08-03	2010-06-11	11,262.95	12,276.00		-1,013.05
MICROSOFT CORP		2,495	06-03-30	2010-06-11	62,446.80	67,789.15		-5,342.35
MICROSOFT CORP		130	07-11-15	2009-08-31	3,193.71	4,420.00		-1,226.29
MICROSOFT CORP		145	08-03-07	2009-08-31	3,562.21	4,048.40		-486.19
MONSANTO CO		3,100	10-04-13	2010-06-18	156,130.72	210,451.25	-54,320.53	
MONSTER WORLDWIDE INC		0	01-01-01	2009-08-31	7,045.15	25		7,020.15
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,645	04-04-13	2009-10-20	48,052.50	38,995.81		9,056.69
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,676	04-04-13	2009-11-09	45,733.68	39,730.69		6,002.99
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,623	04-04-13	2009-12-01	42,220.94	38,474.29		3,746.65
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,718	04-04-13	2010-03-01	39,334.66	40,726.32		-1,391.66
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		949	04-04-13	2010-03-12	23,232.17	22,496.67		735.5
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		565	04-10-19	2010-03-12	13,831.59	11,479.49		2,352.10
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,743	04-10-19	2010-03-18	42,650.70	35,413.72		7,236.98
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,413	04-10-19	2010-04-14	36,846.04	28,708.88		8,137.16
NATIONAL AUSTRALIA BANK LTD SPONSORED ADR		1,064	04-10-19	2010-04-20	28,389.81	21,618.01		6,771.80
NEWS CORPORATION CL A		765	06-09-08	2010-03-16	10,751.48	14,335.10		-3,583.62
NIKE INC CLASS B		1,468	06-10-25	2009-09-10	80,976.91	67,913.13		13,063.78
NIPPON TELEG & TEL CORP SPONSORED ADR		2,201	04-11-30	2009-11-13	46,111.53	49,264.98		-3,153.45
NIPPON TELEG & TEL CORP SPONSORED ADR		1,629	04-11-30	2010-06-03	33,020.90	36,461.91		-3,441.01
NIPPON TELEG & TEL CORP SPONSORED ADR		1,483	04-11-30	2010-06-16	29,456.48	33,193.99		-3,737.51
NOBLE CORPORATION SEDOL: B65Z9D7 ISIN: CH0033347318		1,675	08-05-12	2010-03-15	72,445.17	102,558.85		-30,113.68
NOBLE CORPORATION SEDOL: B65Z9D7 ISIN: CH0033347318		1,895	08-05-12	2010-03-25	76,408.84	116,029.27		-39,620.43
NOBLE CORPORATION SEDOL: B65Z9D7 ISIN: CH0033347318		181	10-01-08	2010-03-25	7,298.15	8,134.26	-836.11	
NOBLE CORPORATION SEDOL: B65Z9D7 ISIN: CH0033347318		900	10-01-08	2010-03-26	35,841.23	40,446.62	-4,605.39	
NOBLE ENERGY INC		1,477	08-10-10	2010-06-04	90,079.67	46,546.92		43,532.75
NOKIA CORP SPONSORED ADR		2,274	07-05-25	2009-07-23	30,298.45	60,554.80		-30,256.35
NOKIA CORP SPONSORED ADR		4,239	07-06-06	2009-07-23	56,479.83	119,734.79		-63,254.96
NOVARTIS AG SPONSORED ADR		274	07-06-07	2009-09-18	13,201.01	15,254.79		-2,053.78
NOVARTIS AG SPONSORED ADR		609	07-06-07	2010-02-11	32,469.15	33,905.71		-1,436.56
ONEOK INC NEW		30	08-09-09	2009-07-28	992.97	1,226.18	-233.21	
PEABODY ENERGY CORP		9,400	06-09-11	2009-07-23	305,398.14	320,720.84		-15,322.70
PERFECT WORLD CO LTD ADR ISIN US71372U1043 SEDOL B23F975		1,700	09-12-17	2010-03-30	62,746.96	70,197.59	-7,450.63	
PERKINELMER INC		3,510	09-07-01	2010-02-05	73,364.03	61,616.29	11,747.74	

PART IV - CAPITAL GAINS & LOSSES FOR TAX ON INVESTMENT INCOME & OTHER ASSETS

Description *	Maturity Date	Shares	Date Acquired	Date Sold	Proceeds	Cost	Short Gain/Loss	Long Gain/Loss
PRAXAIR INC		326	06-06-01	2009-10-30	26,627.29	17,553.24		9,074.05
PRAXAIR INC		255	06-06-01	2010-05-12	20,596.26	13,730.30		6,865.96
PRAXAIR INC		1,202	06-06-01	2010-05-17	93,683.14	64,720.85		28,962.29
PRAXAIR INC		603	06-06-01	2010-05-19	45,987.44	32,468.11		13,519.33
PRAXAIR INC		617	06-06-01	2010-05-20	46,205.79	33,221.93		12,983.86
PRICE T ROWE GROUP INC		27	06-09-01	2009-10-30	2,205.33	1,574.19		631.14
PRICE T ROWE GROUP INC		882	07-11-20	2010-02-10	43,312.62	52,833.30		-9,520.68
PRICE T ROWE GROUP INC		1,119	08-05-08	2009-07-10	41,707.75	67,785.21		-26,077.46
PRICELINE.COM INC		498	08-05-08	2010-02-10	24,455.42	30,167.15		-5,711.73
PRIDE INTERNATIONAL INC		559	08-07-14	2009-07-17	64,672.12	59,291.40		5,380.72
PROCTER & GAMBLE CO		3,167	09-06-19	2010-01-11	105,795.67	74,233.20	31,562.47	
QUALCOMM INC		468	06-09-01	2009-08-10	24,293.30	28,992.60		-4,699.30
QUALCOMM INC		567	06-06-01	2009-11-06	24,765.92	26,131.10		-1,365.18
QUALCOMM INC		189	06-06-20	2009-11-06	8,255.31	8,325.45		-70.14
REPUBLIC SVCS INC		2,513	08-06-20	2009-08-31	116,102.14	120,972.55		-4,870.41
REPUBLIC SVCS INC		2,760	08-09-09	2009-12-10	80,758.29	80,421.50		336.79
RESEARCH IN MOTION LTD		56	09-07-28	2009-12-10	1,638.57	1,486.80	151.77	
RESEARCH IN MOTION LTD		1,020	07-02-06	2009-10-02	67,081.53	46,031.85		21,049.68
ROYAL DUTCH PETE CO MERGED 12/21/05 @ \$61.8585 P/S		1,326	07-02-06	2010-04-08	92,336.04	59,841.41		32,494.63
ROYAL DUTCH SHELL PLC ADR A		0	01-01-01	2010-06-15	1,845.83	25		1,820.83
SBA COMMUNICATIONS CORP (IPO)		217	04-04-13	2010-03-18	12,939.76	10,609.13		2,330.63
SCHERING-PLOUGH CORP MERGED 11/03/09 @ \$10.50 P/S & SEE 58933Y105		48	09-03-05	2009-07-28	1,265.72	968.41	297.31	
SCHERING-PLOUGH CORP MERGED 11/03/09 @ \$10.50 P/S & SEE 58933Y105		6,835	08-11-07	2009-11-04	71,767.50	42,767.52	28,999.98	
SCHLUMBERGER LTD SEDOL 2779201 ISIN AN8068571086		1,945	09-02-27	2009-11-04	20,422.50	14,389.55	6,032.95	
SEAHAWK DRILLING INC W/I		1,736	09-06-16	2010-03-12	111,269.07	99,428.53	11,840.54	
SEAHAWK DRILLING INC W/I		0	09-06-19	2009-08-31	3.07	3.28		-0.21
SINGAPORE TELECOMMUNICATION ADR ISIN US82929R3049 SEDOL B02ZNNW5		211	09-06-19	2009-09-01	4,894.19	5,196.31	-302.12	
SLM CORP		583	08-06-11	2010-03-18	13,239.76	15,417.20		-2,177.44
SLM CORP		7,700	07-04-12	2009-12-23	86,286.28	315,679.21		-229,392.93
SLM CORP		4,700	07-12-05	2009-12-23	52,668.25	174,041.00		-121,372.75
SOCIETE GENERALE FRANCE SPONSORED ADR		22,100	07-12-27	2009-12-23	247,652.83	434,265.00		-186,612.17
SNAP ON INC		1	06-29-09	2009-06-29	9.69	8.40	1.29	
SPDR S&P 500 ETF TRUST		16	08-09-09	2009-07-28	527.82	935.17	-407.35	
SPDR S&P 500 ETF TRUST		12,000	08-11-12	2009-08-28	1,238,210.96	1,038,807.60	199,403.36	
SPECIAL ASSETS TEMPORARY INVESTMENTS HEDGE FUNDS		18,000	08-11-25	2009-08-28	1,857,316.45	1,573,470.00	283,846.45	
ST MARY LD & EXPL CO NAME CHANGE 6/2/2010 SEE 78454L100		600,000	09-04-17	2009-09-01	600,000.00	600,000.00	0	
ST MARY LD & EXPL CO NAME CHANGE 6/2/2010 SEE 78454L100		656	08-09-09	2010-04-20	25,955.32	24,914.88		1,040.44
ST MARY LD & EXPL CO NAME CHANGE 6/2/2010 SEE 78454L100		1,505	08-11-04	2010-04-20	59,546.87	37,541.17		22,005.70
STEC INC		184	08-09-09	2009-07-28	4,346.63	6,988.32	-2,641.69	
STORA ENSO OYJ SPON ADR		1,922	09-08-13	2009-11-09	25,706.67	68,328.45	-42,621.78	
STORA ENSO OYJ SPON ADR		4,243	05-05-17	2010-06-16	35,038.52	55,448.80		-20,410.28
STORA ENSO OYJ SPON ADR		3,794	05-06-07	2010-06-04	28,773.59	51,275.53		-22,501.94
STORA ENSO OYJ SPON ADR		275	05-06-07	2010-06-16	2,270.94	3,716.60		-1,445.66
STRYKER CORP		1,119	05-09-01	2010-06-04	8,486.46	15,519.08		-7,032.62
STRYKER CORP		2,039	08-11-11	2009-08-20	81,690.84	100,307.18	-18,616.34	
STUDENT LOAN CORP COMMON		618	09-02-17	2009-08-20	24,759.66	25,986.84	-1,227.18	
STUDENT LOAN CORP COMMON		388	08-09-09	2010-04-23	11,648.15	45,060.42		-33,412.27
STUDENT LOAN CORP COMMON		335	09-02-10	2010-04-23	10,057.03	17,980.19		-7,923.16
SUNCOR ENERGY INC ISIN CA867224107 SEDOL B3NBOP5		22	08-09-09	2009-07-28	1,009.11	2,554.97	-1,545.86	
SUNPOWER CO.		2,672	09-06-25	2010-02-16	80,174.75	80,756.93	-582.18	
SUNPOWER CO.		859	07-11-06	2010-03-08	17,523.38	122,303.82		-104,780.44
TAIWAN SEMICONDUCTOR MTG CO ADR		1,360	09-09-28	2010-03-08	27,743.64	41,125.99	-13,382.35	
TELEFONICA S A SPONSORED ADR		1	08-01-02	2009-08-18	6.29	5.86		0.43
TERADATA CORP		501	04-04-13	2009-10-15	42,929.49	22,429.72		20,499.77
TERADATA CORP		214	07-10-26	2009-11-06	6,087.16	6,216.19		-129.03
TIMKEN CO		1,430	07-10-26	2010-05-13	47,798.80	41,538.06		6,260.74
TOYOTA MTR CORP ADR 2 COM		164	08-09-09	2009-07-28	3,268.73	4,693.73	-1,425.00	
TOYOTA MTR CORP ADR 2 COM		229	04-04-13	2009-09-18	19,105.80	16,707.22		2,398.58
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513		245	04-04-13	2010-01-12	21,762.97	17,874.54		3,888.43
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513		462	07-05-17	2010-03-08	39,337.61	42,518.36		-3,180.75
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513		230	07-08-30	2010-03-03	18,771.83	23,483.77		-4,711.94
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513		337	07-08-30	2010-03-08	28,749.59	34,447.12		-5,697.53
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513		449	07-12-20	2010-03-03	36,645.88	60,180.46		-23,534.58

PART IV - CAPITAL GAINS & LOSSES FOR TAX ON INVESTMENT INCOME & OTHER ASSETS

Description *	Maturity Date	Shares	Date Acquired	Date Sold	Proceeds	Cost	Short Gain/Loss	Long Gain/Loss
UNILEVER PLC W/ SPONSORED ADR		478	05-09-01	2009-10-30	14,532.50	10,902.65		3,629.85
UNILEVER PLC W/ SPONSORED ADR		1,009	06-01-24	2009-10-30	30,676.34	23,200.22		7,476.12
UNITED BANKSHARES INC W VIRGINIA		302	09-01-02	2009-07-28	5,715.32	9,809.29	-4,093.97	
UNITED PARCEL SERVICE CL B		276	06-06-01	2010-02-08	15,768.09	22,336.68		-6,568.59
UNITED PARCEL SERVICE CL B		67	06-06-01	2010-02-12	3,752.62	5,422.31		-1,669.69
UNITED PARCEL SERVICE CL B		438	06-08-23	2010-03-08	26,097.28	30,913.78		-4,816.50
UNITED PARCEL SERVICE CL B		1,879	06-09-01	2010-02-12	105,241.45	133,139.74		-27,898.29
UNITED PARCEL SERVICE CL B		802	06-09-01	2010-02-19	46,381.80	56,827.07		-10,445.27
UNITED PARCEL SERVICE CL B		380	06-09-01	2010-03-08	22,641.48	26,925.55		-4,284.07
UNITEDHEALTH GROUP INC		86	07-02-13	2010-02-12	4,816.80	6,396.68		-1,579.88
UNITEDHEALTH GROUP INC		0	01-01-01	2009-12-30	2,578.97	25		2,553.97
UNITEDHEALTH GROUP INC		475	06-06-01	2009-07-07	11,904.14	21,265.32		-9,361.18
UNITEDHEALTH GROUP INC		1,149	06-06-01	2009-07-24	31,470.30	51,439.70		-19,969.40
UNITEDHEALTH GROUP INC		383	06-08-23	2009-07-07	9,598.50	19,106.15		-9,507.65
UNITEDHEALTH GROUP INC		44	06-09-01	2009-07-07	1,102.70	2,259.91		-1,157.21
UNITEDHEALTH GROUP INC		3,565	06-10-23	2009-12-16	114,137.67	180,162.98		-66,025.31
UNITEDHEALTH GROUP INC		961	06-12-14	2009-07-07	24,083.96	47,837.33		-23,753.37
UNITEDHEALTH GROUP INC		572	07-08-10	2009-07-07	14,335.10	26,625.51		-12,290.41
UNITEDHEALTH GROUP INC		534	07-09-04	2009-07-07	13,382.76	26,999.04		-13,616.28
UPM KYMMENE CORP SPONSORED ADR		1,636	04-04-13	2010-03-25	20,835.67	30,663.88		-9,828.21
UPM KYMMENE CORP SPONSORED ADR		2,823	04-04-13	2010-04-22	41,070.57	52,912.05		-11,841.48
URS CORP NEW		70	08-09-09	2009-07-28	3,539.80	2,913.90	625.9	
VALSPAR CORP		20	08-09-09	2009-07-28	488.58	468.27	20.31	
VANGUARD BD INDEX FD INC TOTAL BD MKT PORTFOLIO INSTL FD #222		237,643	08-11-21	2010-05-10	2,500,000.00	2,446,829.51		53,170.49
VANGUARD BD INDEX FD INC TOTAL BD MKT PORTFOLIO INSTL FD #222		122,429	08-11-21	2009-08-10	1,250,000.00	1,260,560.55	-10,560.55	
VERISIGN INC		1,178	08-05-16	2010-06-04	33,925.94	47,037.89		-13,111.95
VISA INC CLASS A SHARES		121	08-04-23	2010-01-19	10,551.41	8,454.34		2,097.07
VISA INC CLASS A SHARES		109	08-04-23	2010-04-08	9,979.11	7,615.90		2,363.21
VISA INC CLASS A SHARES		229	08-04-24	2009-07-23	15,375.77	16,439.89		-1,064.12
VISA INC CLASS A SHARES		172	08-04-24	2009-10-29	13,397.97	12,347.86		1,050.11
VISA INC CLASS A SHARES		81	08-04-24	2009-11-02	6,228.07	5,814.98		413.09
VISA INC CLASS A SHARES		217	08-04-24	2010-01-19	18,922.79	15,578.41		3,344.38
VISA INC CLASS A SHARES		125	08-06-13	2009-07-23	8,392.88	10,199.95		-1,807.07
WALGREEN CO		683	06-09-01	2009-10-29	25,878.07	34,040.72		-8,162.65
WALGREEN CO		908	06-09-01	2009-11-02	34,876.29	45,254.72		-10,378.43
WASTE MANAGEMENT INC		2,500	05-06-07	2010-04-21	87,742.01	73,138.50		14,603.51
WEIGHT WATCHERS INTL INC		622	06-06-01	2010-02-08	17,732.99	26,055.58		-8,322.59
WEIGHT WATCHERS INTL INC		1,779	06-06-01	2010-02-16	51,830.15	74,522.31		-22,692.16
WEIGHT WATCHERS INTL INC		1,172	06-09-01	2009-11-12	31,124.12	50,189.73		-19,065.61
WEIGHT WATCHERS INTL INC		956	06-09-01	2010-02-01	27,713.71	40,939.74		-13,226.03
WEIGHT WATCHERS INTL INC		179	06-09-01	2010-02-08	5,103.23	7,665.50		-2,562.27
WEIGHT WATCHERS INTL INC		807	07-05-24	2009-10-19	22,865.92	41,913.89		-19,047.97
WEIGHT WATCHERS INTL INC		352	07-05-24	2009-11-12	9,347.86	18,282.14		-8,934.28
WELLS FARGO & COMPANY		2,875	04-04-12	2009-08-31	78,581.51	81,844.21		-3,262.70
WGL HLDGS INC		32	08-10-22	2009-07-28	1,061.09	909.95	151.14	
WMS INDUSTRIES INC		1,577	08-03-31	2009-09-15	67,821.72	57,347.61		10,474.11
NATIONAL GRID PLC								
BLACKROCK TEMP FUNDS L-T CAPITAL GAIN (INCLUDES VC ACCOUNT)								
Cost Adjustment					449.31			449.31
ENHANCED RAFI US LARGE, LP						1,294.02	(1,294.02)	
THE EMERGING FREE MARKETS COUNTRY FUND (COL)					(5,113,838.00)		(828,105.00)	(4,285,733.00)
					567,379.00		352,974.00	214,405.00
					20,971,581.45	24,442,043.99	237,288.20	-3,663,855.90
						-3,470,462.54		-3,426,567.70
							Part IV, Line 3	Part IV, Line 2
Per Books (does not include K-I income, gain & loss)					25,518,040.45	24,442,043.99		
Total Realized Gain per Books						1,075,996.46	712,419.20	407,472.10

Total Gain/Loss

The Annenberg Foundation Trust At Sunnylands
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SCHEDULE 2: Other Income

DESCRIPTION	(a) REVENUE PER BOOKS	(b) NET INVEST- MENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
Refund of Unused Qualified Expenses	-		9,322	
TOTAL TO PART I, LINE 9			9,322	
Sales of collection items		59,331		
Refund of Unused Qualified Expenses	9,322	-	-	-
Royalties	2,466	2,466	2,466	-
Miscellaneous Income	400	-	-	-
Share of Net Income in The Emerging Free Markets Country Fund (EIN 51-6548874) & Enhance RAFI (EIN 20-1886896)	-	205,844	205,844	-
TOTAL TO PART I, LINE 11	12,188	267,641	208,310	-

The Annenberg Foundation Trust At Sunnylands
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 Fiscal Year Ended June 30, 2010

SCHEDULE 3: LEGAL FEES

DESCRIPTION	(a) EXPENSES PER BOOKS	(b) NET INVEST- MENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
Dilworth Paxson LLP	194,491	4,889	4,889	189,602
Ealy, Hemphill, Blasdel & Oleson	28,615			28,615
FitzGerald & Mule LLP	900			900
Nielsen, Merksamer, Parrinello, Mueller & Naylor, LLP	804			804
Katten Muchin Rosenman, LLP	-			-
TOTAL TO PART I, LINE 16a	224,810	4,889	4,889	219,921

The Annenberg Foundation Trust At Sunnylands
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SCHEDULE 4: ACCOUNTING FEES

DESCRIPTION	(a) EXPENSES PER BOOKS	(b) NET INVEST- MENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
Grant Thornton, LLP	24,125	-	-	24,125
TOTAL TO PART I, LINE 16b	24,125	-	-	24,125

SCHEDULE 5: OTHER PROFESSIONAL FEES

DESCRIPTION	(a) EXPENSES PER BOOKS	(b) NET INVEST- MENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
Investment Management and Custodial Fees	1,531,913	1,531,860	1,531,913	
Program Management Services	844,572	-	-	844,572
Documentary Production	455,845	-	-	455,845
IT & Security Consultants	61,654	-	-	61,654
Temporary Staffing	28,574	-	-	28,574
Survey Development & Execution	20,000	-	-	20,000
Other Consultants	527,292	-	-	527,292
TOTAL TO PART I, LINE 16c	3,469,850	1,531,860	1,531,913	1,937,990

SCHEDULE 6: TAXES

DESCRIPTION	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
1% Excise Tax Based on Net Investment Income	20,000	-	-	20,000
Foreign Taxes Withheld	36,694	36,694	36,694	-
TOTAL TO PART I, LINE 18	56,694	36,694	36,694	20,000

SCHEDULE 7: DEPRECIATION & ASSET ACQUISITION

Description of Property	Date Acquired	Cost Basis	Depr Method	Depreciation this Year	Total Accumulated Depreciation	6/30/10 Adjusted Basis	Cost of FY 2010	
							Acquired	Donated
Furniture and Fixtures	various	115,060	SL	15,270	43,773	71,287	61,420	
Office Equipment	various	39,443	SL	(467)	15,119	24,324	13,701	
Computer Equipment	various	73,486	SL	26,401	45,720	27,766	15,423	
Computer Software	various	46,870	SL	12,498	28,695	18,175	3,212	
Leasehold Improvements	various	73,011	SL	9,894	49,397	23,614	-	
Buildings	12/23/2009	9,124,802	SL	140,597	140,597	8,984,205	-	9,124,802
Building Improvements	various	5,053	SL	722	782	4,271	-	
Security	various	31,167	SL	3,203	3,231	27,936	-	30,000
Golf Course Equipment	various	164,023	SL	25,586	25,586	138,437	92,523	71,500
Vehicles	12/23/2009	69,300	SL	13,757	13,757	55,543	-	69,300
Land	Various	67,315,000		-	-	67,315,000	-	51,560,000
Land Improvements	12/23/2009	4,556,582	SL	135,550	135,550	4,421,032	-	4,556,581
Estate Transition	Construction in progress	1,309,790		-	-	1,309,790	1,309,790	
Visitor Center	Construction in progress	25,018,315		-	-	25,018,315	16,556,212	
TOTAL TO PART II, LINE 14		<u>107,941,902</u>			<u>502,207</u>	<u>107,439,695</u>		
TOTAL TO PART I, LINE 19				<u>383,011</u>				
TOTAL TO PART XII, LINE 2							<u>18,052,281</u>	<u>65,412,183</u>

SCHEDULE 8: OTHER EXPENSES

DESCRIPTION	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
Stationary, supplies & postage	100,792			100,792
Employee Training & Recruiting	50,571			50,571
Advertising & Promotional Items	24,518			24,518
Permits & Licenses	24,041			24,041
Memberships & Subscriptions	23,590			23,590
Other expenses	28,057	70	70	27,987
TOTAL TO PART I, LINE 23	251,569	70	70	251,499

**PART II LINE 10b CORPORATE STOCK
 MUTUAL FUNDS, EXCHANGE TRADED FUNDS, ADR**

Description	Units	Book Value (equals end-of-year Market Value)
MARVELL TECHNOLOGY GROUP LTD	6,821	107,499
AAR CORP	2,705	45,282
AARON'S INC.	3,966	67,700
ABERCROMBIE & FITCH CO CL A	1,766	54,199
ADOBE SYSTEMS INC	7,961	210,409
AGILENT TECHNOLOGIES (IPO)	6,245	177,545
AKAMAI TECHNOLOGIES	2,972	120,574
ALIGN TECHNOLOGY INC	4,285	63,718
ALLERGAN INC	6,697	390,167
ALTERA CORP	40,105	994,980
AMAZON COM INC	2,840	310,298
AMEDISYS INC	1,270	55,855
AMERICAN EXPRESS CO	14,405	571,879
AMERCI GROUP CORPORATION	2,635	85,585
AMERIPRISE FINANCIAL INC-W/I	3,802	137,366
AMPHENOL CORP NEW CL A	2,650	104,092
ANSYS INC	2,217	89,944
APACHE CORPORATION	8,758	737,336
APPLE INC	4,028	1,013,163
ARRIS GROUP INC	8,332	84,903
ASTORIA FINL CORP	6,390	87,926
ATWOOD OCEANICS INC	1,884	48,080
AVON PRODUCTS INC	3,892	103,138
BANK NEW YORK MELLON CORP COM	22,476	554,932
BECTON DICKINSON & CO	1,530	103,459
BED BATH AND BEYOND	4,625	171,495
WR BERKLEY CORP	23,600	624,456
BERKSHIRE HATHAWAY INC CLASS B	9,013	718,246
BRINKER INTERNATIONAL INC	2,514	36,352
BRUKER CORP	5,794	70,455
BUCYRUS INTL INC	4,840	229,658
CME GROUP INC A DERIVATIVES EXCHANGE	1,379	388,257
CVS CAREMARK CORPORATION	15,496	454,343
CABOT OIL & GAS CORP COM	3,771	118,108
CANTEL MEDICAL CORP	1,620	27,054
CAREFUSION CORP	1,320	29,964
CASH AMERICA INTERNATIONAL INC	1,922	65,867
CHECKPOINT SYSTEMS INC	2,733	47,445
CHICOS FAS INC	5,536	54,696
CISCO SYSTEMS INC	7,803	166,282
COACH INC	4,267	155,959
COCA COLA CO	25,586	1,282,370
COGNIZANT TECHNOLOGY SOLUTIONS	2,340	117,140
COMCAST CORP CLASS A SPECIAL	59,750	981,693
CONOCOPHILLIPS	1,190	58,417
COSTCO WHOLESALE CORP	10,940	599,840
COVANCE INC	1,481	76,005
CROWN CASTLE INTL CORP	11,889	442,984
CUMMINS INC	1,530	99,649
DELPHI FINL GROUP INC CL A	3,194	77,966
DEVON ENERGY CORP NEW	9,183	559,428
DIGITAL RIV INC	2,546	60,875
DISNEY WALT CO	3,790	119,385
DISCOVERY COMMUNICATIONS CL C	14,550	450,032
DOVER CORP	1,534	64,106
DRESSER-RAND GROUP INC.	5,600	176,680
EOG RES INC	9,605	944,844
EATON CORP	1,337	87,493
EATON VANCE CORP COM NON VTG	3,060	84,487
EBAY INC	6,509	127,641
ECOLAB INC	15,300	687,123
EXPEDIA INC	2,930	55,025
EXPEDITORS INTERNATIONAL WASHINGTON INC	6,809	234,979
EXPRESS SCRIPTS INC	3,246	152,627
FLIR SYSTEM INC	5,041	146,643
F5 NETWORKS INC	1,366	93,667
FIDELITY NATIONAL INFORMATION	6,345	170,173
FIRST POTOMAC RLTY TR	2,855	41,026
FIRST SOLAR INC	507	57,712
FRANKLIN RESOURCES INC	688	59,299
GEN PROBE INC	1,463	66,449
GEOEYE INC	1,460	45,464
GILEAD SCIENCES INC	7,314	250,724
GLOBAL PAYMENTS INC-W/I	2,535	92,629

**PART II LINE 10b CORPORATE STOCK
 MUTUAL FUNDS, EXCHANGE TRADED FUNDS, ADR**

Description	Units	Book Value (equals end-of-year Market Value)
GOOGLE INC-CL A	1,928	857,864
GRAFTECH INTERNATIONAL LTD.	5,551	81,156
GUESS INC	2,445	76,382
HALLIBURTON CO	4,394	107,873
HARLEY DAVIDSON INC	5,235	116,374
HARSCO CORP	2,171	51,019
HEALTHWAYS INC	2,415	28,787
HEWLETT-PACKARD CO	3,995	172,904
HEXCEL CORP	5,330	82,668
HOSPIRA INC	1,388	79,741
ILLUMINA INC	1,925	83,795
IMAX CORP	3,912	57,115
INTERCONTINENTAL EXCHANGE INC	4,379	494,958
INTUITIVE SURGICAL INC	429	135,401
INTUIT SOFTWARE	10,922	379,758
IRON MTN INC PA	9,824	220,647
ITRON, INC.	1,568	96,934
JPMORGAN CHASE & CO	1,520	55,647
JABIL CIRCUIT	4,812	64,000
JEFFRIES GROUP INC	3,392	71,503
JOHNSON & JOHNSON	6,009	354,892
KRAFT FOODS INC - A SEDOL 2764296 ISIN US50075N1046	20,300	568,400
L 3 COMMUNICATIONS HLDGS INC	7,600	538,384
LIBERTY GLOBAL INC CL A	9,616	249,920
LIBERTY GLOBAL INC SERIES C	21,569	560,578
LIBERTY MEDIA STARZ SERIES A	3,680	190,771
LIFE TIME FITNESS INC	3,284	104,398
LINEAR TECHNOLOGY CORP	2,670	74,253
LOEWS CORPORATION	22,060	734,819
LOWES COMPANIES INC	10,570	215,839
LULULEMON ATHLETICA INC	2,419	90,035
MASTERCARD INC CL A	1,586	316,455
MC DERMOTT INTERNATIONAL INC	3,080	66,713
MC DONALDS CORP	3,100	204,197
MEDCO HEALTH SOLUTIONS INC	6,659	366,778
MEDICAL PROPERTIES TRUST INC	8,062	76,105
MEDNAX INC	1,768	98,318
MEDTRONIC INC	1,657	60,099
MERCADOLIBRE INC	1,793	94,222
MERCK & CO INC	11,078	387,398
MERITAGE HOMES CORPORATION	1,569	25,543
MICROSOFT CORP	41,150	946,862
MILLIPORE CORP	3,000	319,950
MONSANTO CO	938	43,354
MOODY'S CORP	3,565	71,015
MOOG INC CLASS A	1,985	63,977
NII HOLDINGS INC CL B	2,057	66,894
NATIONAL INSTRUMENTS CORP	8,200	260,596
NATIONAL OILWELL VARCO INC	5,050	167,004
NETAPP INC	3,982	148,568
NEWFIELD EXPLORATION CO	8,400	410,424
NEWS CORPORATION CL A	57,190	683,992
NIKE INC CLASS B	4,662	314,918
NOBLE ENERGY INC	8,900	536,937
NUANCE COMMUNICATIONS INC	7,920	118,404
NUCOR CORP	1,845	70,627
NVIDIA CORP	5,521	56,369
OCCIDENTAL PETROLEUM CORP	11,051	852,585
ONEOK INC NEW	1,730	74,823
ORACLE CORP	5,574	119,618
PARKER HANNIFIN CORP	2,614	144,972
PFIZER INC	16,160	230,442
PHARMACEUTICAL PROD DEV INC	3,534	89,799
PHILIP MORRIS INTERNAT-W/I	3,000	137,520
PHILLIPS-VAN HEUSEN CORP	2,255	104,339
PLANTRONICS INC NEW	2,154	61,604
PRAXAIR INC	12,500	949,875
PRICE T ROWE GROUP INC	2,884	128,021
PRICELINE.COM INC	2,903	512,496
PROCTER & GAMBLE CO	7,120	427,058
PROGRESSIVE CORP OHIO	35,340	661,565
PROTECTIVE LIFE CORP	4,250	90,908
QUALCOMM INC	15,021	493,290
RAYMOND JAMES FINANCIAL INC	3,690	91,106

**PART II LINE 10b CORPORATE STOCK
 MUTUAL FUNDS, EXCHANGE TRADED FUNDS, ADR**

Description	Units	Book Value (equals end-of-year Market Value)
REINSURANCE GROUP OF AMERICA	1,925	87,992
RIVERBED TECHNOLOGY INC	2,708	74,795
SBA COMMUNICATIONS CORP (IPO)	1,857	63,157
SEI INVESTMENT CO	3,564	72,563
SRA INTERNATIONAL INC CL A	3,060	60,190
SCHOOL SPECIALTY INC	1,351	24,413
THE SCOTTS MIRACLE-GRO COMPANY	1,915	85,045
SEALED AIR CORP	14,085	277,756
SNAP ON INC	1,549	63,370
SONIC CORP	3,171	24,575
SOUTH JERSEY INDUSTRIES INC	2,144	92,106
STAPLES INC	13,983	266,376
STARBUCKS CORP	5,725	139,118
STATE AUTO FINANCIAL CORP	2,353	36,495
SWIFT ENERGY CO	2,442	65,714
SYMANTEC CORP	13,667	189,698
TALEO CORP CLASS A	2,655	64,490
TELEDYNE TECHNOLOGIES INC	1,759	67,862
TERADATA CORP	8,927	272,095
TEXAS INSTRUMENTS INC	10,555	245,720
THERMO FISHER SCIENTIFIC INC	7,500	367,875
3M COMPANY	9,300	734,607
TIMKEN CO	2,711	70,459
TORO CO	1,924	94,507
TRANSATLANTIC HOLDINGS INC	2,933	140,667
TRIMBLE NAVIGATION LTD	4,828	135,184
TRUSTMARK CORP	2,651	55,194
URS CORP NEW	1,795	70,633
UNITED BANKSHARES INC W VIRGINIA	1,838	44,002
UNITED FIRE & CASUALTY CO	2,364	46,854
UNITED PARCEL SERVICE CL B	1,242	70,657
UNITED TECHNOLOGIES CORP	2,009	130,404
UNITEDHEALTH GROUP INC	31,195	885,938
VALSPAR CORP	3,131	94,306
VARIAN MEDICAL SYSTEMS INC	1,460	76,329
VEECO INSTRUMENTS INC DEL	1,677	57,488
VERISIGN INC	12,924	343,132
VISA INC CLASS A SHARES	6,398	452,659
VMWARE INC CLASS A	1,512	94,636
VULCAN MATERIALS CO	1,515	66,402
WGL HLDGS INC	2,640	89,839
WMS INDUSTRIES INC	1,968	77,244
WAL-MART STORES INC	21,700	1,043,119
WALGREEN CO	7,298	194,857
WASTE MANAGEMENT INC	18,500	578,865
WATERS CORP	1,952	126,294
WATSCO INC	1,190	68,925
WELLS FARGO & COMPANY	23,605	604,288
VANGUARD INSTL INDEX FD SH BEN INT FD #94	279,977	26,399,023
VANGUARD TOTAL INTL STOCK INDEX FUND #113	561,628	7,121,440
DODGE & COX INTERNATIONAL STOCK FUND	276,305	7,844,298
DFA INTERNATIONAL SMALL CAP VALUE PORTFOLIO FUND #66	271,069	3,651,305
VANGUARD BD INDEX FD INC TOTAL BD MKT PORTFOLIO INSTL FD #222	4,208,697	45,053,720
BLACKROCK FDS HIGH YIELD BD PORTFOLIO FUND 318 INSTITUTIONAL CLASS	242,548	1,741,495
BLACKROCK INFLATION PROTECTED BD PORTFOLIO INST CLASS FD #360	120,540	1,340,405
CALAMOS CONVERTIBLE FD A FD #603	270,993	4,902,266
ISHARES RUSSELL 1000 GROWTH INDEX FUND ETF	100,000	4,583,000
MIDCAP SPDR TRUST SERIES 1 ETF	47,000	6,070,520
ISHARES RUSSELL 2000 VALUE INDEX FUND ETF	46,000	2,623,840
ISHARES TR MSCI EMERGING MKTS INDEX FD ETF	57,500	2,145,900
ABB LTD SPONSORED ADR	10,381	179,384
AMCOR LTD SPONS ADR	4,158	88,150
ANGLO AMERICAN PLC UNSP ADR	5,507	94,886
ASTELLAS PHARMA INC-UNSP ADR UNSP ADR ISIN US04623U1025 SEDOL B3DTS22	3,164	106,152
BG GROUP PLC SPON ADR	2,119	158,289
BP PLC SPONSORED ADR	4,853	140,155
BAIDU INC	2,220	151,138
BANCO SANTANDER S A ADR	11,508	120,834
BAYER A G SPONSORED ADR	1,018	56,804
BOC HONG KONG HLDS SPONSORED ADR ISIN US0968132094 SEDOL 2638562	955	43,729
CANON INC SPONS ADR	6,326	236,023
CARREFOUR SA UNSPON ADR	15,653	123,659
DEUTSCHE TELEKOM AG SPONSORED ADR	18,224	212,674
DIAGEO PLC SPONSORED ADR	3,640	228,374

**PART II LINE 10b CORPORATE STOCK
 MUTUAL FUNDS, EXCHANGE TRADED FUNDS, ADR**

Description	Units	Book Value (equals end-of-year Market Value)
ENSCO PLC ADS	7,408	290,986
FOSTERS GROUP LTD SPONSORED ADR	26,932	127,658
FRANCE TELECOM SPONSORED ADR	5,509	95,361
GLAXO SMITHKLINE ADR	8,418	286,296
GRUPO TELEvisa SA DE CV SPONSORED ADR REPSTG ORD PARTN CTF	4,775	83,133
HONGKONG ELEC HLDGS LTD SPONSORED ADR	21,411	124,826
IBERDROLA SA SPON ADR	7,210	161,720
INFOSYS TECHNOLOGIES LTD SPONSORED ADR REPSTG 1/4	1,292	77,404
ING GROEP N V SPONSORED ADR	14,570	107,964
KAO CORP ADS ADR	10,600	246,450
LONGTOP FINL TECHNOLOGIES LTD ADR ISIN US54318P1084 SEDOL B28G1Z5	2,229	72,220
MINDRAY MEDICAL INTL LTD ADR ISIN US6026751007 SEDOL B1FCP24	2,185	68,653
NATIONAL GRID PLC SP ADR	2,074	76,385
NESTLE S.A. SPONSORED ADR REPSTG REG SH	10,200	492,048
NEW ORIENTAL ED & TECHNOLOGY GROUP INC SPONSORED ADR	909	84,710
NIPPON TELEG & TEL CORP SPONSORED ADR	4,220	85,835
NOVARTIS AG SPONSORED ADR	6,049	292,288
NOVO NORDISK A S ADR	5,555	450,066
RWE AG SPONSORED ADR REPSTG ORD PAR	3,365	220,239
REED ELSEVIER NV SPONS ADR	6,318	139,059
ROYAL DUTCH SHELL PLC ADR A	3,992	200,478
SANOFI-AVENTIS SPONSORED ADR	4,254	127,875
SASOL LTD SPONSORED ADR	3,320	117,096
SEVEN & I HOLDINGS UNSPN ADR	3,602	165,692
SIEMENS AG SPON ADR	1,408	126,058
SINGAPORE TELECOMMUNICATION ADR ISIN US82929R3049 SEDOL B02ZNNW5	7,413	158,193
SOCIETE GENERALE FRANCE SPONSORED ADR	15,340	126,248
STERILITE INDUSTRIES INDI ADS ADT ISIN US8597372072 SEDOL B1YX3G8	5,387	76,711
SYNGENTA AG SPON ADR	4,946	226,774
TAIWAN SEMICONDUCTOR MTG CO ADR	16,403	160,093
TAKEDA PHARMACEUTIC SPON ADR	8,941	190,264
TELECOM CORP NEW ZEALAND LTD SPONSORED ADR	7,180	46,239
TELEFONICA S A SPONSORED ADR	4,289	238,168
TELSTRA LTD SPONSORED ADR TELECOMMUNICATIONS	13,895	190,223
TEVA PHARMACEUTICAL INDS LTD ADR	4,300	223,557
TOKIO MARINE HOLDINGS ADR	7,937	207,553
TOTAL S A	5,464	243,913
TOYOTA MTR CORP ADR 2 COM	2,162	148,248
UNILEVER PLC W/I SPONSORED ADR	12,604	336,905
UNITED OVERSEAS BK LTD SPONSORED ADR	4,437	124,458
UPM KYMMENE CORP SPONSORED ADR	3,290	43,362
VINCI S.A. ADR	5,684	59,455
VODAFONE GROUP PLC SPONSORED ADR NEW	31,373	648,480
ZURICH FINANCIAL SVCS SPON ADR	5,206	114,272
ACCENTURE PLC CLASS A ISIN IE00B4BNMY34 SEDOL B4BNMY3	2,295	88,702
SEAGATE TECHNOLOGY	4,654	60,688
WARNER CHILCOTT PLC CL A SEDOL B446CM7 ISIN IE00B446CM77	2,726	62,289
WILLIS GROUP HOLDINGS PLC SEDOL B4XGY11 ISIN IE00B4XGY116	25,500	766,275
TRANSOCEAN LTD SEDOL B3KFWW1 ISIN CH0048265513	1,297	60,090
TYCO INTERNATIONAL LTD SEDOL: B64GC98 ISIN: CH0100383485	1,968	69,333
CORE LABORATORIES N V	968	142,886
AGRIUM INC SEDOL 2015530 ISIN CA0089161081	913	44,682
BARRICK GOLD CORP SEDOL 2024677 ISIN CA0679011084	2,160	98,086
CANADIAN NATURAL RESOURCES SEDOL 2171573 ISIN CA1363851017	10,360	344,263
CENTAUR FDG CORP PREF SHS SER B 9.08% 144A SEDOL 2953351 ISIN US1513272021	1,144	1,189,760
FEDERAL HOME LOAN MTG CORP PFD 8.375% SERIES Z CALL 12/31/12 @ 25	8,250	2,805
FEDERAL NATL MTG ASSN PFD CALL 12/31/10 @25 08.250% DUE 12/31/2049	12,200	4,148
TOTAL CORPORATE STOCK, MUTUAL FUNDS, ETF, AND ADR		171,709,767.66

The Annenberg Foundation Trust At Sunnylands
EIN No. 25-6774871
Form 990-PF
Fiscal Year Ended June 30, 2010

SCHEDULE 10

**PART II LINE 10c CORPORATE BONDS
GOVERNMENT SPONSORED**

Description	Units	Book Value (equals end-of-year Market Value)
GLITNIR BANKI HF UNSEC CALL 9/14/16 @ 100 07.451% DUE 12/31/2049	350,000	2,205.00
GENWORTH FINANCIAL INC JR SUB CALL 11/15/16 @ 100 VAR% DUE 11/15/2066	430,000	292,400.00
LB-UBS COML MTG TRUST SER 2007-C2 CL C 05.611% DUE 02/17/2040	1,824,000	366,934.08
TOTAL CORPORATE AND GOVERNMENT BONDS		661,539.08

PART II LINE 13 ALTERNATIVE INVESTMENTS

Description	Units	Book Value
		(equals end-of-year Market Value)
CITY OF LONDON EMERGING (FREE) MARKETS CNTRY FD	136,371	3,618,069
PINNACLE NATURAL RESOURCES OFFSHORE FUND,LTD	3,000	2,807,194
SELECTINVEST FOCUSED RECOVERY FUND, ONE B LTD	21,625	3,191,944
SILVER CREEK EARLY ADVANTAGE FUND, LTD CLASS A, SERIES 0204	21,081	2,833,787
SILVER CREEK EARLY ADVANTAGE FUND, LTD CLASS S SERIES A 1208B	84	21,545
SILVER CREEK EARLY ADVANTAGE FUND, LTD CLASS S SERIES A 1208D	2,371	187,330
SILVER CREEK EARLY ADVANTAGE FUND, LTD CLASS S SERIES A 1208C	507	39,215
SILVER CREEK EARLY ADVANTAGE FUND, LTD CLASS S SERIES A 1208A	206	37,676
TITAN MASTERS INTERNATIONAL FUND, LTD. CLASS D SERIES 1-10	31,442	5,013,886
BLACKSTONE PARTNERS OFFSHORE FUND LTD	12,099	15,853,807
BLACKSTONE PMARKET OPPORTUNITIES OFFSHORE FUND I LTD	4,569	4,768,983
ANCHOR POINT CAPITAL FLAGSHIP FUND OFFSHORE LTD	50,000	3,938,260
LAKEVIEW OPPORTUNITY FUND LTD	5,000	3,739,450
ENHANCED RAFI US LARG, L.P. (ERAFI)	107,120	10,794,866
ESL LIMITED	10,000	6,711,666
TOTAL ALTERNATIVE INVESTMENTS		63,557,678

Part VIII Information About Officers, Directors, Foundation Managers, Highly Paid Employees and Contractors

1 List all officers, directors, foundation managers and their compensation (see instructions)				
(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Employee benefit plans & deferred compensation	(e) Expense account, other allowances
Wallis Annenberg 2000 Avenue of the Stars, Suite 1000, Los Angeles, CA 90067	Trustee / 1 hour	0	0	0
Lauren A. Bon 2000 Avenue of the Stars, Suite 1000, Los Angeles, CA 90067	Trustee / 1 hour	0	0	0
Gregory Weingarten 2000 Avenue of the Stars, Suite 1000, Los Angeles, CA 90067	Trustee / 1 hour	0	0	0
Charles Weingarten 2000 Avenue of the Stars, Suite 1000, Los Angeles, CA 90067	Trustee / 1 hour	0	0	0
Diane Deshong 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Trustee / 1 hour	0	0	0
Leonore Deshong 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Trustee / 1 hour	0	0	0
Howard Deshong III 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Trustee / 1 hour	0	0	0
Elizabeth R. Kabler 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Trustee / 1 hour	0	0	0
Elizabeth K. Kabler 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Trustee / 1 hour	0	0	0
Kathleen Hall Jamieson 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Program Director/ 22.5 hours	111,704	0	0
L. Dianne Lomonaco 150 N. Radnor-Chester Rd A-210, Radnor, PA 19087	Finance Director / 40 hours	74,552	7,465	0
Janice Lyle 70177 Highway 111, Suite 202, Rancho Mirage, CA 90277	Center Director / Interim General Manager 40 hours	172,029	28,914	0
Gaddi Vasquez 70177 Highway 111, Suite 202, Rancho Mirage, CA 90277	Executive Director/ 40 hours	15,231	0	0
	Totals	373,515	36,379	-

[illegible]

Schedule 14: Part I, Line 25 - Contributions, Gifts, Grants Paid

From detail below:	Cash Amount	Property Other than Cash	Total
Paid during the year	19,270	0	19,270
Approved for future payment	0	0	0
Total	19,270	0	19,270

Paid During the Year Donee Name	Donee Address	Cash Amount	Property Other than Cash (1)	Relationship to Disqualified Persons (2)	Organizational Status of Donee (3)
1.0	Rio Salado Foundation				
	P.O. Box 32099				
	Phoenix, AZ 85064-2099	10,000			Public Charity
2.0	Barbara Sinatra Children's Center				
	39000 Bob Hope Dr.				
	Rancho Mirage, CA 92270	8,750			Public Charity
3.0	United Way of the Desert				
	P.O. Box 1990				
	Palm Springs, CA 92263-1990	520			Public Charity
Total		19,270	0		

The Annenberg Foundation Trust At Sunnylands
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Form 990-PF
Fiscal Year Ended June 30, 2010

SCHEDULE 15

PART III LINE 3 OTHER INCREASES - UNREALIZED GAIN ON INVESTMENTS

Description	Unrealized Gain
US AND STATE GOVERNMENT OBLIGATIONS	-
CORPORATE BONDS	709,934
EQUITIES	7,652,676
MUTUAL FUNDS	12,986,644
HEDGE FUNDS	4,122,852
TOTAL OTHER INCREASES - UNREALIZED GAIN ON INVESTMENTS	25,472,106

Form 990-PF, Part IX A, Line 1 Summary of Direct Charitable Activities

Sunnylands Retreats, Conferences and Visitor Center

The Annenberg Foundation Trust at Sunnylands ("Trust") intends to sponsor a variety of nonpartisan retreats, conferences and programs that will be directed toward cultivating, developing and improving the capabilities of various leaders in government, education, charity, and other important fields of endeavor by promoting and facilitating the exchange of ideas among such individuals through the widest possible range of opportunities for high-level interaction and communication. Each retreat, conference and program will also serve to further and improve the particular field of endeavor, in all cases for the advancement of the common good, the public interest and for the benefit of society as a whole. These activities will be conducted on property owned by the Trust known as "Sunnylands," located in Rancho Mirage, California, which is the former residence of Ambassador and Mrs. Walter H. Annenberg. Additionally, construction of a Visitor Center ("Center") was recently completed at Sunnylands. The Center will be used for conferences and programs of the Trust and will have exhibits and educational programs for the general public. The Center will also offer tours of Sunnylands to the general public. Activities of the Trust during the year ending June 30, 2010 included architectural design and construction of the Center, planning and development of exhibition and video materials at the Center, restoration and preservation of the residence, buildings and facilities of the Trust, and the production of a book published in late 2009 focusing on, among other things, the historic and architectural significance of Sunnylands.

American Institutions of Democracy

This project works to enhance the public's appreciation of the nature and function of democratic institutions. The project focuses on educating people about the history, current state, and challenges facing the executive, legislative, and judicial branches, the press, and the public schools. Commissions of scholars have synthesized what is known about the institutions, identified research priorities, and have disseminated their findings to scholars and the public through volumes published by Oxford University Press.

- Sunnylands Classroom (www.SunnylandsClassroom.org). Since the inception of the Sunnylands Trust, it has focused on developing no-cost learning materials about the Constitution for use in middle and high schools. Since 2002, the Trust developed and published four high school texts – *Our Constitution*, *Understanding Democracy*, *The Pursuit of Justice*, and *Our Rights* – all of which remain available at no cost to teachers and students at www.SunnylandsClassroom.org. These books were downloaded from [SunnylandsClassroom.org](http://www.SunnylandsClassroom.org) almost 30,000 times last year, while hits to the website increased to more than 1 million. Complementing these texts are films created with the guidance of U.S. Supreme Court Justices who gather for retreats at Sunnylands where they recommend new Conversations on the Constitution, documentaries, and film segments and evaluate those produced in the past year for Constitution Day. [SunnylandsClassroom.org](http://www.SunnylandsClassroom.org) currently contains 29 videos on major Constitutional concepts and court cases with learning materials aligned to state standards, as well as lesson plans, online books for download, and interactive games on the origins of the Constitution and judicial review. [SunnylandsClassroom.org](http://www.SunnylandsClassroom.org) continues to expand its rich set of teaching aids on the Constitution. The Trust released "Creating the Constitution: The Constitutional Convention" and "The First Amendment Game: Tinker v. Des Moines," the first two of its three-module, interactive middle school educational materials. This state standards-aligned content can also be found on [SunnylandsClassroom.org](http://www.SunnylandsClassroom.org). At the end of summer 2010, the Trust released a new documentary (*Jury Selection: Edmonson v. Leesville Concrete Company*), a new "Conversation on the

Form 990-PF, Part IX A, Line 1 Summary of Direct Charitable Activities

Constitution" on the Edmonson case (*The Right to Trial By an Impartial Jury*) and four games co-sponsored with Justice Sandra Day O'Connor's iCivics project (www.iCivics.org).

- Constitution Day 2009. The 2009 DVD set (containing two Conversations on freedom of speech and jury service, FAQs: Juries – 11 segments, and two documentaries) was distributed to 40,000 schools, libraries, the Supreme Court Historical Society, Council of Great City Schools, United States Federal Courts, law school deans, state chief information officers, and state department of education directors. Schools wired for all-school internet access streamed the materials from the Sunnylands Classroom website (SunnylandsClassroom.org). The videos are closed-captioned for the hearing impaired. Among the organizations disseminating the Trust materials are the following:
 - The Department of Defense website celebrated Constitution Day by featuring three of the Sunnylands Conversations on the Constitution for its 3 million employees.
 - The U.S. Federal Judiciary made A Conversation on the Constitution with Justices Stephen G. Breyer, Sandra Day O'Connor, and Anthony M. Kennedy: Jury Service available to more than 28,000 employees and judges and in over 300 courts across the U.S.
 - The U.S. Government Accountability Office featured The Constitution Project: An Independent Judiciary for Constitution Day on its intranet site.
 - The Eisenhower Presidential Library and Museum featured A Conversation on the Constitution with Justices Stephen G. Breyer and Antonin Scalia: Judicial Interpretation in its Visitors Center Auditorium as part of its Constitution Day celebration.
- The November 10, 2009 Sunnylands Seminar on the Constitution featured U.S. Supreme Court Justices Stephen G. Breyer, Sandra Day O'Connor and Anthony M. Kennedy and 35 high school students from Cesar Chavez Public Charter School, St. Anselm's Abby School (Washington, DC), and Newport High School (Newport, NY). Students and the Justices discussed two landmark cases: Brown v. Board of Education and Edmonson v. Leesville Concrete Co. These cases were selected by the Justices at their February 2009 retreat at Sunnylands. As in past years, the Seminar was filmed and is being edited into videos that will join the Sunnylands Curriculum on the Constitution. First up is *The Right to Trial by an Impartial Jury* (on the Edmonson case), which was distributed nationally to teachers and schools for use on Constitution Day 2010 via the website, www.SunnylandsClassroom.org.
- Interactive Games on the Constitution.

New for Constitution Day 2010. John Marshall served as chief justice of the Supreme Court for 34 years, the longest tenure of any chief justice. In the landmark case Marbury v. Madison (1803), Marshall established the principle of judicial review, elevating the Court as an equal partner with the other two branches of government.

Form 990-PF, Part IX A, Line 1 Summary of Direct Charitable Activities

- Being John Marshall: In this game, students step into the role of Marshall and try to persuade the other justices to vote with them in Marbury v. Madison.

In partnership with Justice O'Connor's iCivics project, the Trust developed four new interactive games available on the Sunnylands Classroom site. These interactive games were released as part of Constitution Day 2010 to 40,000 schools, libraries, courts, and other organizations.

- Branches of Power: This game immerses students in the workings of our three branches of government: executive, judicial and legislative. Players are challenged to turn ideas into laws as they act as legislator or president to build support, pass a law in Congress and secure the president's signature. And, if the law is challenged in court, the Supreme Court must be persuaded to uphold it. Players juggle several bills at once while holding press conferences and town hall meetings and making decisions on the constitutionality of laws.
- Executive Command: Who wants to be president? Players must possess multitasking skills as they consider bills to sign, fly off for diplomatic meetings and act as commander-in-chief to handle a military crisis.
- LawCraft: Students play a senator or representative from any state and political party they select. Their challenge is to get Congress to pass a bill based on a need expressed by a constituent.
- Court Quest: Players help guide ordinary citizens who are looking for justice through the nation's court system.

Adolescent Mental Health Initiative

The Sunnylands Adolescent Mental Health Initiative (AMHI) has three objectives: (1) Understanding the origins, paths, prevention, and treatment of adolescent mood disorders, schizophrenia, anxiety disorders, eating disorders, alcohol and drug abuse and suicide; (2) Understanding how adolescent mental health disorders can be prevented, their recurrence reduced and their effects blunted and (3) Developing effective means to communicate these insights to adolescents in need, their families, counselors, teachers, physicians and friends.

The Annenberg Foundation Trust at Sunnylands created its Adolescent Mental Health Initiative (AMHI) to synthesize and disseminate scientific research on the prevention and treatment of mental disorders in adolescents. This initiative produced the award-winning *Treating and Preventing Adolescent Mental Health Disorders: What We Know and What We Don't Know*, a definitive guide book for mental health professionals; a series of four books for parents, counselors and others concerned with the prevention and treatment of mental disorders in adolescents; and eight books for teens designed to help them cope with prevalent mental health disorders, including depression and substance abuse.

- Sunnylands' CopeCareDeal.org. The Trust disseminated the AMHI book series through national mailings and online at its W3 award-winning website, www.CopeCareDeal.org, which houses and preserves the work of the initiative. The books can be downloaded at no cost for use by school guidance counselors and others concerned with adolescent mental health. In addition, CopeCareDeal.org provides additional mental health materials for the public and provides a link to sample chapters of *Treating and Preventing Adolescent Mental Health Disorders*. The parent

Form 990-PF, Part IX A, Line 1 Summary of Direct Charitable Activities

and teen books were downloaded from CopeCareDeal.org approximately 250,000 times last year. Traffic to the website continues to increase; last year it received more than 1.1 million hits.

Annenberg Forums

- **Annenberg Entities Meeting.** Representatives of the Annenberg Foundation Trust at Sunnylands, the Annenberg Foundation, Annenberg Media, the two Annenberg schools, Eisenhower Medical Center, and the Annenberg Public Policy Center gathered at the Annenberg School for Communication & Journalism at USC March 17-19 to share information about current greening initiatives at the groups and centers, learn from one another's programs, brainstorm more ideas, and find ways to work together in the future. The Sunnylands EcoWiki (<http://green.sunnylandstrust.org>) has been created as the vehicle for an ongoing conversation about our sustainability efforts. One major collaborative effort will be to expand and improve the use of teleconferences in order for the groups and centers to share and broaden their access to resources. During the meeting, participants visited and used Cisco telepresence sites for a discussion with staffers in Malvern, PA., and Washington D.C. Afterward, they agreed to study alternative technology options for teleconferences. IT representatives who took part in the meeting will continue to work as a "permanent" IT team that will follow up on the telepresence initiative and other collaborative efforts. In other IT areas, participants agreed to institute a policy in which computers automatically would be put in a sleep mode after a set period of inactivity. A Wharton School presentation demonstrated a considerable saving in energy use and costs.

Part X, Line 1 c - FAIR MARKET VALUE OF ASSETS NOT USED FOR CHARITABLE PURPOSES				
Asset Type	Donation Date	FMV	Valuation Date	FMV for 990PF
53.20 acres of land located West side of Bob Hope Drive, North side of Frank Sinatra Drive in Rancho Mirage, California ³	12/10/2007	\$160,000 per acre	3/12/2009 ²	8,512,000
122.25 acres of undeveloped land located contiguous to but outside the walled estate area on NWC of Frank Sinatra Drive and Bob Hope Drive in Rancho Mirage, California ⁴	12/23/2009	\$160,000 per acre	3/12/2009 ²	10,128,329 ¹
				18,640,329

¹ Prorated Fair Market Value. Asset held from 12/23/09 to 6/30/10 (proration rate 189/365)

² Per appraisal report dated June 26, 2009 from Capital Reality Analysts under the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute

³ On December 10, 2007, 68.2 acres were donated to the Annenberg Foundation Trust at Sunnylands. From the 68.2 acre parcel, 15 acres are being developed for a Visitor Center and will be used for charitable purposes

⁴ On December 23, 2009, 322.25 acres were donated to the Annenberg Foundation Trust at Sunnylands. Of these 322.25 acres, 200 acres are being used for charitable purposes

Part XII, Line 3 a - SET ASIDE FOR SPECIFIC CHARITABLE PROJECTS

Description	Request Submission Date	IRS Ruling Date	Taxable Year	Amount of Approved Set-Aside	Amount of expenses paid from set asides as of 6/30/10	Remaining Balance as of 6/30/10	Remaining Balance To Be Used by
Approved Set Aside specifically devoted to the construction of the Visitor Center meeting the requirements of Section 4942 (g)(2)(B) and accordingly, constitute qualifying distributions under Section 4942(g) ¹	4/11/2005	4/10/2006	2005 (ended on 6/30/05)	5,000,000	5,000,000	0	
Approved Set Aside specifically devoted to the construction of the Visitor Center meeting the requirements of Section 4942 (g)(2)(B) and accordingly, constitute qualifying distributions under Section 4942(g) ¹	3/29/2006	4/10/2006	2006 (ended on 6/30/06)	5,000,000	-	5,000,000	6/30/2011
Approved Set Aside specifically devoted to the construction of the Visitor Center meeting the requirements of Section 4942 (g)(2)(B) and accordingly, constitute qualifying distributions under Section 4942(g) ¹	6/26/2008	11/25/2008	2008 (ended on 6/30/08)	3,000,000	-	3,000,000	6/30/2013
Totals				13,000,000	5,000,000	8,000,000	

¹ A visitor and educational Center is being built in Rancho Mirage, California. The Center will host conferences consistent with its mission, and will have exhibits open to the general public. The 15,000 square foot structure will be located on property adjoining the Annenberg's estate, "Sunnylands." The estate is noteworthy as an exemplar of mid century modernist architecture designed by the legendary architect A. Quincy Jones, and as the home of the distinguished couple who created and furnished it with some of the nation's finest art and sculpture. The Center will offer tours of the estate in FY12

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization THE ANNENBERG FOUNDATION TRUST AT SUNNYLANDS	Employer identification number 25-6774871
	Number, street, and room or suite no. If a P.O. box, see instructions. 150 N. RADNOR CHESTER ROAD, SUITE A-210	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. RADNOR, PA 19087	

Check type of return to be filed (file a separate application for each return):

- | | | |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ► L. DIANNE LOMONACO

Telephone No. ► 484-581-1284

FAX No. ► 484-581-1285

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until FEBRUARY 15, 2011, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☐ calendar year 20____ or
- ☒ tax year beginning JULY 1, 2009, and ending JUNE 30, 2010.

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	35,000
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	64,842
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.00

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



Department of the Treasury
Internal Revenue Service
Ogden UT 84201

For assistance, call:
1-877-829-5500

Notice Number: CP211A
Date: March 21, 2011

Taxpayer Identification Number:
25-6774871
Tax Form: 990PF
Tax Period: June 30, 2010

039148.830161.0130.003.1 AT 0.357 375
[Barcode]

ANNENBERG FOUNDATION TRUST AT
ANNENBERG LEONORE TTEE
150 N RADNOR CHESTER RD STE A-200
RADNOR PA 19087-5272108

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APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN - APPROVED

We received and approved your Form 8868, Application for Extension of Time to File an Exempt Organization Return, for the return (form) and tax period identified above. Your extended due date to file your return is **May 15, 2011**.

When it's time to file your Form 990, 990-EZ, 990-PF or 1120-POL, you should consider filing electronically. Electronic filing is the fastest, easiest and most accurate way to file your return. For more information, visit the Charities and Nonprofit web at www.irs.gov/eo. This site will provide information about:

- The type of returns that can be filed electronically,
- approved e-File providers, and
- if you are required to file electronically.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top of this letter.



Grant Thornton

TO: DIRECTOR, INTERNAL REVENUE SERVICE
FROM: GRANT THORNTON LLP, 2001 MARKET STREET, SUITE 3100, PHILADELPHIA, PA 19103-7080

DATE: NOVEMBER 12, 2010

RE: FORM 8868, PART I, APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN

Certified Mail

November 12, 2010

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0012

Audit • Tax • Advisory

Grant Thornton LLP
2001 Market Street, Suite 3100
Philadelphia, PA 19103-7080

T 215.561.4200
F 215.561.1066
www.GrantThornton.com

Re: Form 8868, Part I: Application for Extension of Time to File an Exempt Organization Return

Dear Sir or Madam:

On behalf of our client listed below, we submit two Forms 8868, Part I, Applications for Extension of Time to File an Exempt Organization Return for the following taxpayer:

The Annenberg Foundation Trust at Sunnylands, EIN: 25-6774871 (Form 990-PF)
The Annenberg Foundation Trust at Sunnylands, EIN: 25-6774871 (Form 990-T)

The taxpayer has a June 30, 2010 year-end and requests an extension until February 15, 2011 to file Form 990-PF, and until May 16, 2011 to file Form 990-T.

Please time stamp the copy of this letter and return in the enclosed envelope as your acknowledgment of receipt of the extensions listed above.

Thank you for your prompt attention on this matter. You may reach me at (215) 656-3042 if you have further questions.

Very truly yours,

Grant Thornton, LLP

Russlee L. Armstrong
Tax Senior Manager

Enclosure

